



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 29, 1999

James Bremenr, Director of Financial Operations
Halter Marine Group, Inc. PAC
13085 Seaway Road
Gulfport, MS 39505

RE: MUR 4904

Dear Mr. Bremenr:

On June 22, 1999, the Federal Election Commission found that there is reason to believe Halter Marine Group, Inc. PAC ("Committee") and its treasurer, violated 2 U.S.C. § 434(a)(4)(A)(i), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

In order to expedite the resolution of this matter, the Commission has also decided to offer to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. Enclosed is a conciliation agreement that the Commission has approved.

If you are interested in expediting the resolution of this matter by pursuing preprobable cause conciliation, and if you agree with the provisions of the enclosed agreement, please sign and return the agreement, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such

counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Karen White, the staff member assigned to this matter, at (202) 694-1650.

Sincerely,



Scott E. Thomas
Chairman

Enclosures

Factual and Legal Analysis
Procedures
Designation of Counsel Form
Conciliation Agreement

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Halter Marine Group Inc. PAC
and its treasurer

MUR: 4904

This matter was generated based on information ascertained by the Federal Election Commission (the "Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

The Federal Election Campaign Act of 1971, as amended, requires treasurers of political committees other than authorized committees of a candidate to file periodic reports of receipts and disbursements. In any calendar year in which a regularly scheduled general election is held, all political committees that choose not to file on a monthly basis shall file quarterly reports which shall be filed no later than the 15th day after the last day of each calendar quarter. 2 U.S.C. § 434(a)(4)(A)(i).

Halter Marine Group Inc. PAC ("HALPAC") is a political committee not authorized by any candidate and has elected to report on a quarterly basis. Pursuant to 2 U.S.C. § 434(a)(4)(A)(i), the due date for HALPAC's 1998 October Quarterly Report was October 15, 1998.

HALPAC was notified on December 29, 1997 and September 18, 1998 that its 1998 October Quarterly Report was due on October 15, 1998.

Following that due date, a non-filer notice was sent to HALPAC on November 4, 1998 via mailgram notifying HALPAC of its failure to timely file the report and of its need to do so immediately. Subsequently, on December 1, 1998, the Reports Analysis Division ("RAD") contacted HALPAC's treasurer, James Ogden, by phone and

again informed him that HALPAC had failed to file its 1998 October Quarterly Report.

Mr. Ogden stated that he had been in the hospital and would file the report as soon as he returned to work. Finally, on January 25, 1999, the RAD Analyst again phoned and left a message for the treasurer informing him that HALPAC's 1998 October Quarterly Report still had not been filed with the Commission.

On February 3, 1999, HALPAC hand-delivered its 1998 October Quarterly Report to the Commission together with a cover letter from its treasurer apologizing for the untimely filing and reiterating that he had been on medical leave. The October Quarterly Report, disclosing receipts of \$18,044 and disbursements of \$8,500, was filed 111 days late.

Therefore, there is reason to believe that the Halter Marine Group Inc. PAC and its treasurer, violated 2 U.S.C. § 434(a)(4)(A)(i).